



U.S. Department of Justice

*United States Attorney
District of New Hampshire*

*Federal Building
55 Pleasant Street, Room 352
Concord, New Hampshire 03301*

603/225-1552

MEDIA RELEASE

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**Contact: Thomas P. Colantuono
United States Attorney
Don Feith
Jean Weld
Assistant U.S. Attorneys
(603) 225-1552**

**SECOND CANADIAN MAN PLEADS GUILTY IN
TELEMARKETING FRAUD CASE**

CONCORD, NEW HAMPSHIRE -- United States Attorney Tom Colantuono, Special Agent in Charge of the Federal Bureau of Investigation Boston Field Division Kenneth W. Kaiser, Special Agent in Charge of the Bureau of Immigration and Customs Enforcement Robin Avers, and United States Postal Inspector in Charge of the United States Postal Inspection Service Kenneth R. Jones today announced that Nelson Azevedo, of Montreal, Canada, pleaded guilty to mail and wire fraud conspiracy charges stemming from a telemarketing scheme originating in Canada and targeted towards United States citizens. Sentencing is scheduled for June 24, 2004.

Azevedo faces statutory sentences of 15 years on each of the wire fraud and mail fraud conspiracy charges. The maximum five year sentence for mail and wire fraud conspiracy that would apply to Azevedo is increased to 15 years because a special federal statute adds a ten year penalty for mail or wire fraud involving telemarketing. Under the Federal Sentencing Guidelines, Azevedo faces a sentence of 15 to 19 years. Azevedo also agreed to the entry of a personal money judgment against him in the amount of \$250,000. He also agreed to disclose all of his assets having a value of \$1,000 or more for purposes of forfeiture.

The prosecution began on October 2, 2002, when a grand jury for the District of New Hampshire indicted Azevedo and 14 other Canadian citizens in connection with a nationwide telemarketing fraud targeted at the elderly. The indictment charges David Johnson, Norman Redler and Joseph Taillon with a violation of the federal racketeering statute, often referred to as the RICO statute. Johnson, Redler, Taillon, Azevedo and 10 others are charged with conspiracy to commit racketeering and conspiracy to commit mail fraud. Azevedo, Johnson, Redler, Taillon and 11 others are charged with conspiracy to commit wire fraud.

In June 2002, the Royal Canadian Mounted Police, the Federal Bureau of Investigation and the Bureau of Immigration and Customs Enforcement, working jointly to combat

telemarketing fraud through an effort known as Project Colt, brought the investigation to the United States Attorney's Office for the District of New Hampshire. The investigation revealed that a group of Canadian citizens based in Montreal, with connections to Vancouver, British Columbia, had devised a scheme to defraud that was targeted at elderly widows and widowers. The investigation further revealed that the participants in the scheme had collected more than \$5 million from more than 80 victims of the fraud.

United States Attorney Colantuono stated: "This case represents the best efforts of law enforcement and my office to attack the problem of fraudulent telephone solicitations. Each year, unsuspecting citizens lose millions of dollars to those who engage in these frauds. We have attacked this problem on two fronts - incarcerating the individuals committing the frauds and forfeiting the assets and proceeds acquired through the fraud. We will continue to aggressively investigate and prosecute these cases."

Assistant U.S. Attorneys Don Feith and Jean Weld are prosecuting this case.

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